

IN THE MATTER OF: * BEFORE THE MARYLAND COMMISSIONER
 *
 FIRST RESIDENTIAL * OF FINANCIAL REGULATION
 MORTGAGE SERVICES CORP *
 *

Respondent *
 *

* * * * *

SETTLEMENT AGREEMENT AND CONSENT ORDER

This Settlement Agreement and Consent Order (this "Order") is entered into this 7
 day of January, 2010, by and between the MARYLAND COMMISSIONER OF
 FINANCIAL REGULATION (the "Commissioner") and First Residential Mortgage Services Corp.
 ("Respondent").

WHEREAS, the Commissioner is charged under the Maryland Mortgage Lender Law (the
 "MMLL"), Md. Code Ann. Fin. Inst. § 11-501 *et seq.*, with the responsibility of licensing and
 regulating mortgage lenders who make or broker consumer loans secured by residential real
 property located in this State; and

WHEREAS, at all times relevant hereto Respondent has been duly licensed under the
 MMLL as a Maryland mortgage lender engaged in the mortgage lending business as those terms are
 defined in FI § 11-501(i) and (j); and

WHEREAS, pursuant to COMAR 09.03.06.03B, a Maryland mortgage lender licensee may
 not "broker a loan to, or accept a loan from, a person the licensee knows is not licensed by the
 Commissioner, unless the licensee reasonably and in good faith believes that the person is properly
 licensed or exempt from the licensing requirement"; and

WHEREAS, it is a violation of FI § 11-604 for an individual to act as a Maryland mortgage
 originator without being (i) duly licensed under the MMOL, or (ii) exempt from licensing under the

MMOL or the Maryland Mortgage Lender Law (Fl § 11-501 *et seq.*); and

WHEREAS the Commissioner has received information indicating that Respondent has knowingly accepted mortgage loans from, and otherwise engaged in the mortgage lending business through, thirteen (13) unlicensed mortgage originators (Antonio Ambrosio, Miguel Dutary, Jairo Gonzalez, Carmen Herrera, Glenn Jones, Orlando Lasanta, Angel Maldonado, Jorge Parra, Martha Perez, Herbert Ponce, Luz Rojas, Matthew Schwartz and Santiago Carrera) (the "Violation"); and

WHEREAS Respondent wishes to operate in this State as a mortgage lender in compliance with all applicable laws and regulations and further wishes to resolve the Violation without the need for an administrative hearing, thereby avoiding the costs associated with such hearing and any potential appeals; and

WHEREAS, the Commissioner desires to ensure that Respondent will comply with all applicable provisions of law and regulation applicable to mortgage lenders in this State, and further wishes to avoid the cost to the taxpayers of an administrative hearing and any potential appeals; and

WHEREAS, Respondent acknowledges that it has voluntarily entered into this Order with full knowledge of its right to a hearing in connection with any charges brought by the Commissioner alleging the Violation pursuant to the MMLL and the Maryland Administrative Procedures Act (Md. Code Ann., State Gov't. § 10-201 *et seq.*), and hereby waives its right to a hearing. Respondent further acknowledges that it has had an opportunity to consult with independent legal counsel and has either obtained legal advice or has waived its right to obtain counsel in connection with the negotiation and execution of this Order.

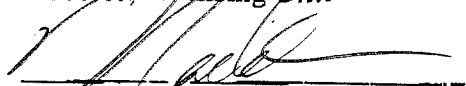
NOW, THEREFORE, it is hereby ORDERED by the Commissioner of Financial Regulation that:

1. Respondent shall no longer accept Maryland mortgage loans from, or otherwise engage in the mortgage lending business through, any mortgage originator who is not duly licensed as a Maryland mortgage originator under Fl § 11-601 *et seq.*
2. Respondent shall pay to the Commissioner a civil money penalty in the amount of six thousand five hundred dollars (\$6,500) as a sanction for the Violation. Applicant shall pay three thousand five hundred dollars (\$3,500) by check made payable to the "Commissioner of Financial Regulation" immediately upon this Agreement being fully executed and delivered. A payment in the amount three thousand dollars will be made by Respondent on or before April 30, 2010.
3. In the event Respondent violates any provision of this Order, the MMLL, any other law which applies to mortgage lending in Maryland, or any regulation promulgated pursuant to such laws, the Commissioner may, at the Commissioner's discretion, take such enforcement actions as permitted by, and in accordance with, applicable law. Subject to the particular circumstances, such actions may include an order to cease and desist, suspension or revocation of a mortgage originator license, civil money penalties of up to \$1,000 for each violation and/or referral for possible criminal prosecution.
4. The Violation shall be resolved in accordance with the terms of this Order and the same shall be reflected among the records of the Office of the Commissioner of Financial Regulation and shall constitute a Final Order of the Maryland Commissioner of Financial Regulation.

IN WITNESS WHEREOF, this Order is executed on the day and year first above written.
COMMISSIONER OF
FINANCIAL REGULATION

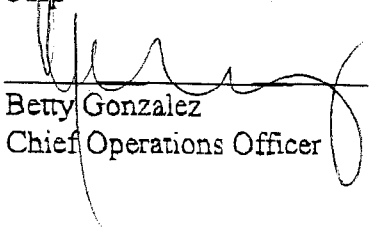
By:


Anne E. Ecker
Director, Licensing Unit


Mark Kachman
Deputy Commissioner

By:

First Residential Mortgage Services
Corp


Betty Gonzalez
Chief Operations Officer